

BEFORE THE INSURANCE COMMISSIONER  
FOR THE STATE OF ARKANSAS

IN THE MATTER OF  
JENNIFER KAYE CRABTREE  
LICENSE NO. 29935

A.I.D. NO. 2006- 052

EMERGENCY LICENSE SUSPENSION ORDER

On this day the emergency matter of Jennifer Kaye Crabtree ("Respondent") came before Julie Benafield Bowman, Arkansas Insurance Commissioner ("Commissioner"). The Arkansas Insurance Department ("Department") was represented by Zane A. Chrisman, Associate Counsel. From the facts and law before the Commissioner, she finds:

FINDINGS OF FACT

1. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. §23-61-103 and the authority to issue summary license suspensions and/or order payment of penalties under Ark. Code Ann. §§ 23-60-108, 23-64-216(e), 23-64-512(a), and 23-66-408.
2. Respondent is licensed as a resident life, accident, health, casualty, marine, property, and surety agent and holds Arkansas resident producer license #29935.
3. On or about August 22, 2005, John Lindsey, representing Tenant P.I. Company, paid \$4,261.00 for an insurance policy for his company using check number 3161. Respondent deposited the check on August 23, 2005.
4. On October 19, 2005, Mr. Lindsey contacted Respondent because he had not received the policy. Respondent informed Mr. Lindsey that the policy had not arrived.
5. On November 3, 2005, Respondent contacted Mr. Lindsey and told him that she had received the policy and would drop it off that week. Respondent failed to do this.
6. Mr. Lindsey contacted Respondent on November 16 and 17, 2005, and requested the policy again. Respondent told Mr. Lindsey that a death in the family prevented her from dropping off the policy. Mr. Lindsey told Respondent to have the policy to him by the following Monday or he would expect a reimbursement of his premium money.

7. On November 21, 2005, Mr. Lindsey contacted Respondent again regarding the policy number. Respondent put off Mr. Lindsey again. Mr. Lindsey contacted Evanston Insurance directly and was told that they had not issued a policy to him. Mr. Lindsey then contacted Insurisk. While Ms. Lindsey was on the phone with Insurisk, Respondent faxed what appeared to be an Evanston policy with a certificate number. Mr. Lindsey relayed the number to Mr. Steve Jenkins of Insurisk, who verified that the policy number was a Scottsdale policy number.

8. On November 22, 2005, Insurisk informed Mr. Lindsey that the policy he had received was on a Lloyds Insurance form, the policy number was from Scottsdale Insurance, and that the policy represented itself to be from Evanston. Insurisk also stated that the binder form was counterfeit.

9. On November 29, 2005, Respondent made a restitution check of \$4,261.00. On December 5, 2005, Respondent's restitution check was returned from the bank as insufficient funds.

10. On December 7, 2005, the hot check was turned over to the Pulaski County Prosecutor's Office.

11. On December 9, 2005, Respondent paid the hot check through the Pulaski County Prosecutor's Office.

12. On February 8, 2005, Respondent came to the offices of the Insurance Fraud Investigation Division for an interview. Respondent did not have an attorney and was advised of her right to have one. Investigator Brian White read Respondent her Miranda Rights and had her initial and sign that she understood her rights. During the interview, Respondent stated that she had taken the premium money given to her by Mr. Lindsey and used the money for her own purpose. Further, Respondent stated that she had produced and sent false binders and certificates to Mr. Lindsey in an effort to delay any suspicion until she could correct her actions. Finally, Respondent admitted that she manufactured false documents to try to fool investigators at the Insurance Department.

### VIOLATIONS

Jennifer Kaye Crabtree is in violation of:

13. Ark. Code Ann. §23-64-216(a)(2)(B) which provides that a license may be suspended or revoked for violation or noncompliance with any applicable provision of the laws of this state, this code, or of any lawful rule, regulation, or order of the Commissioner;

14. Ark. Code Ann. §23-64-216(a)(2)(D) which provides that a license may be suspended or revoked for improperly withholding, misappropriating, or converting any moneys or properties received in the course of doing insurance business;

15. Ark. Code Ann. §23-64-216(a)(2)(E) which provides that a license may be suspended or revoked for intentionally misrepresenting the terms of an actual or proposed insurance contract;

16. Ark. Code Ann. §23-64-216(a)(2)(G) which provides that a license may be suspended or revoked for having admitted or been found to have committed any insurance unfair trade practice or fraud;

17. Ark. Code Ann. §23-64-216(a)(2)(H) which provides that a license may be suspended or revoked for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere;

18. Ark. Code Ann. § 23-64-512(a)(2) which provides that a license may be suspended or revoked for violating any insurance laws, or violating any regulation, subpoena or order of the commissioner or of another state's insurance commissioner;

19. Ark. Code Ann. §23-64-512(a)(4) which provides that a license may be suspended or revoked for improperly withholding, misappropriating, or converting any moneys or properties received in the course of doing insurance business;

20. Ark. Code Ann. § 23-64-512(a)(5) which provides that a license may be suspended or revoked for intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance;

21. Ark. Code Ann. § 23-64-512(a)(7) which provides that a license may be suspended or revoked for having admitted or been found to have committed any insurance unfair trade practice or fraud;

22. Ark. Code Ann. § 23-64-512(a) (8), which provides that a license may be suspended or revoked for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state of elsewhere; and

23. Ark. Code Ann. § 23-64-223, which provides that all funds, fees, moneys, premiums, or return premiums received by a licensee in the capacity as a licensee shall be trust funds so received by the licensee in a fiduciary capacity, and the licensee shall in the applicable regular course of business account for and pay these funds, fees, money, premiums, or return premiums to the insured, insurer, licensee, or any other person entitled thereto.

#### PENALTIES

24. The Department seeks sanctions, up to and including revocation of Arkansas insurance agent license of Respondent, pursuant to Ark. Code Ann. §23-64-216, Ark. Code Ann. 23-60-108, financial penalties pursuant to § 23-64-216(d) based upon the above findings of fact.

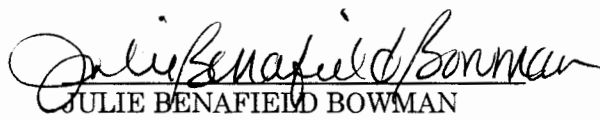
25. Due to the gravity of the allegations and averments, it is found that a public emergency exists for the immediate suspension of Respondent's Insurance License.

26. Any and all licenses issued by the Department, whether acquired by the Respondent, Jennifer Kaye Crabtree, for being a broker, agent, solicitor, or consultant in this State, are hereby suspended pending a promptly instituted hearing on the above matter.

27. The Department reserves the right to amend this Emergency License Suspension Order to include additional violations of state law.

28. A Notice of Hearing is enclosed. At the hearing, the Department will seek to revoke all insurance licenses of Respondent based on the above allegations and to allow Respondent the opportunity to respond to these allegations.

IT IS SO ORDERED THIS 13<sup>th</sup> day of December, 2006.

  
JULIE BENAFIELD BOWMAN  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS